

Bid Phase (PE)

- Engineering Study
- Preliminary Design
- Final Design/PS&E
- ***Bid Phase***





Bid Phase

Prior to beginning

- PS&E package approved by NHDOT ✓
- Construction Engineer approved by NHDOT ✓
- **"Received Authorization to Solicit Bids"**

or "RATS" work is ineligible!!



5 Bid Phase Steps



1) Advertising for Bids



2) Bidder Pre-Qualification



3) Bid Opening



4) Bid Analysis



5) Submit to NHDOT for review
and approval to award



Step #1 - Advertising for Bids

The basics

- The Law – Title 23 CFR 635.112
- **Competitive sealed bidding required**
except for Public Interest Findings (PIFs)
(previously discussed in Final Design)
- Advertise for a **minimum of 3 weeks**
prior to opening



Advertising for Bids

Outreach required

- **Can't just use the local paper**
- Newspapers with significant regional or statewide distribution
- Internet (Sponsor's website)
- Contractor agencies / Plan Houses
- Clearly specify date/time of bid opening

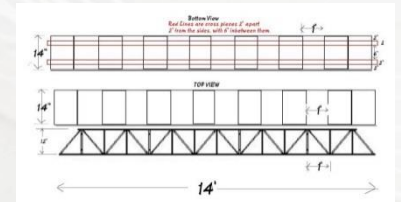




Advertising for Bids

Addenda

- Answers all bidder questions in writing as **Addenda** publicly issued to all bidders
- May need to issue revised plans or specifications as part of Addenda
- NHDOT approves addenda prior to issuing
- Bidders need time to respond to Addenda, minimum 5 days
- May need to extend bid opening date





Advertising for Bids

Optional Pre-Bid Meeting

- Public noticed meeting for bidders to view project/ask questions
- Can be mandatory for bidding
- Questions during Pre-Bid Meeting answered as written Addenda
- Minutes become part of Addenda if answers were given during meeting





Step #2 - Bidder Pre-Qualification

Finding responsible bidders

- The bidding process shall include procedures that ensure the contractor is capable of completing the project
- 3 Options:
 - NHDOT's pre-qualified list
 - Sponsor's own documented procedures
 - Bid documents require references
- NHDOT verifies/approves process





Bidder Pre-Qualification

Pre-Qualification basics

- Cannot restrict competition
- Cannot give geographical preference
- Shall review contractor's status relative to debarment/suspension on previous federal-aid projects
- Shall disqualify bidders who have a conflict of interest with the Sponsor



Step #3 - Bid Opening

Process

- 1) Log date and time all bids received
- 2) Safely store sealed bids until time of bid opening
- 3) Open in public forum and read bidders names out loud
- 4) Review each bid initially for basic requirements – is bid signed? and are bonds included?





Bid Opening

Process continued

- 5) Reject any obvious non-responsive bids
- 6) Read all responsive bid amounts out loud (either item by item or total amount)
- 7) Identify lowest apparent bidder out loud





Step #4 - Bid Analysis

Who does it?

- Sponsor
- Sponsor's attorney if necessary
- Bid Phase Engineer



If low bid is unsatisfactory, then Sponsor may use next lowest bidder ... if NHDOT concurs with Sponsor's justification



Bid Analysis

Does it meet all the requirements?

- Verify contractor is **"Responsible"**
(qualified to perform work)
- Verify bid is **"Responsive"**
(filled out correctly)
- Verify Addenda acknowledged
- Verify bonds, insurance, and certifications are documented per the bid documents



Bid Analysis

Non responsive bid examples:

- Bid without signature
- Bid bonds not included
- Unit bid price missing
- Total bid price missing
- Bid not prepared in ink
- Non-collusion affidavit missing
- Conditions, additions or language that makes the bid ambiguous



Bid Analysis

Mathematics exercise

- Multiply unit prices x quantities to verify each item's cost
- Add items for overall contract price
- Check numerical numbers vs. written words (written word governs)
- Verify total is still lowest bid

$$1 + 2 = 4$$



Bid Analysis

Unit Price analysis

- Compare bidders unit prices with Engineer's estimated unit prices and with industry average unit prices
- Look for large variations
- Look for unbalanced bids





Bid Analysis

Fatal flaws

- Answering questions without Addenda
- Addenda not uniformly issued
- Zero **responsive bids** received
- Zero **responsible bidders**
- Bidding prior to NHDOT authorization
- Awarding bid prior to NHDOT authorization
- Negotiating bid price with contractor



Step #5 –Submit to NHDOT

Prepare recommendation to award letter including:

- Summary of Bid Process/Advertisement
- Summary of Bid Analysis
- Bid Item Tabulation for all bidders including Engineer's estimate
- Copy of the low bidders bid form
- Sponsor's letter head request to award to lowest responsible and responsive bidder





Submit to NHDOT

NHDOT reviews:

- Request to Award Letter
- Advertising Documents
- Bid Documents
- Addenda
- Bid Analysis
- Bid Tabulation
- Overall Costs (Bid, CE, Testing)
compared to authorized amount





Submit to NHDOT

Know your limits



- Low bid cost
- + Add alternates cost (if applicable)
- + Construction Engineering (CE) cost
- + Material Testing cost

**Must be less than PS&E authorized
amount**

Section #26



Submit to NHDOT

**If insufficient funds, then
NHDOT Project Manager must:**

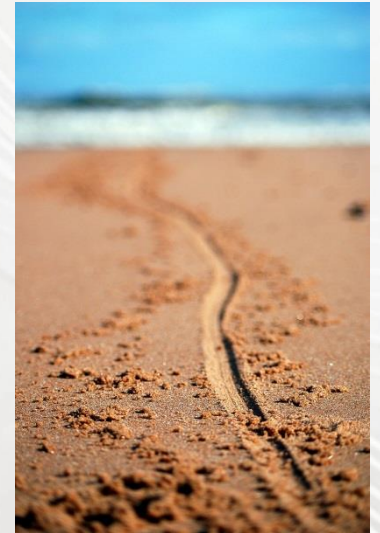
- Ask NHDOT **Program Manager** if additional funds are available?
- Seek authorization of additional funds from **FHWA** (if available)
- Seek assurance from the **Sponsor** that any **matching funds** necessary will be available for the increase



Submit to NHDOT

If NHDOT concurs with Bid Analysis and Request to Award:

- NHDOT issues a written notice of approval to award construction contract
- Construction phase begins on the date the Sponsor executes Construction Contract (PE is over!!)
- Sponsor arranges for the Pre-Construction Meeting





5 Bid Phase Steps

Re-Cap:

- 1) Advertising for Bids
- 2) Bidder Pre-Qualification
- 3) Bid Opening
- 4) Bid Analysis
- 5) Submit to NHDOT for review
and approval to award





End of Bid Phase

Project Status

- Project Agreement ✓
- Consultant Selection (QBS) ✓
- Scope and Fee ✓
- Engineering Study ✓
- NEPA Complete Memo ✓
- Preliminary Design ✓
- Final Design ✓
- PS&E Plans & Certifications ✓
- Construction Engineer ✓
- Low Bid Award ✓
- Preconstruction Meeting is scheduled ✓



Bid Phase

Questions ?



**Next Up: Office of
Inspector General (OIG)**